Congress of the United States Washington, DC 20515

November 20, 2003

Mr. Walter Sanders President AARP of Massachusetts One Beacon Street Suite 2301 Boston, Mass. 02108

Dear Mr. Sanders:

We write you concerning an urgent matter of broad concern to every elderly citizen of the Commonwealth – the controversial decision of the National Office of the AARP to support a version of the Medicare bill which is estimated to have serious adverse effects on the delivery of healthcare in Massachusetts. We ask that you pledge, immediately and unequivocally, on behalf of your members, not to support the position taken by your National Office.

We are appalled at the decision of the National Office, led by Mr. Novelli, to squander the credibility of the AARP and to undermine Medicare by supporting this dangerous bill. The entire episode has raised serious questions about Mr. Novelli's judgment and his priorities. It is indeed telling that Mr. Novelli has written a glowing forward to a book by Newt Gingrich, praising this man for his ideas to "transform" Medicare. Mr. Gingrich's plan to transform Medicare is, as he so succinctly put it, to let Medicare "wither on the vine."

In July 2003, Mr. Novelli wrote to every member of Congress expressing the opposition of the AARP to the concept of "premium support." Now, Mr. Novelli has, in your name, abandoned this position. As you know, "premium support" is the euphemism favored by the Republican party for privatizing Medicare. Knowing that Medicare is an extremely popular program, the Republicans have decided to spend tax dollars to try to pressure beneficiaries to leave traditional Medicare in favor of privatization, but the long-term price to seniors would be very high. It would coerce beneficiaries into HMO's. Beneficiaries would lose their doctor of choice. Medicare beneficiaries in the demonstration areas may have their premiums increased an average of 25 percent, while HMO's and Preferred Provider Organizations (PPO's) are reimbursed 109% for the same services provided by traditional Medicare. This is patently unfair and clearly intended to drain life out of Medicare.

In July AARP believed there must be a guaranteed drug plan. Now, Mr. Novelli has abandoned this position. The Republican plan he now supports, in <u>your</u> name, will force seniors to spend \$4020 out of their own pockets before any catastrophic plan is activated.

In July, Mr. Novelli said that AARP strongly believed Medicare must not be the cause for millions of elderly and disabled to lose their employer-provided prescription drug plans. Yet that is exactly what the Republican-Novelli plan will now cause. In Massachusetts alone nearly

60,000 seniors are expected to lose their existing employer-provided prescription drug plan as a result of Mr. Novelli's endorsement of the Republican plan.

This Republican plan that Mr. Novelli says <u>you</u> support makes it virtually impossible for any senior to purchase U.S. made drugs from Canada at lower prices and actually prohibits the ability of Medicare to negotiate with drug companies for wholesale discounts.. Is it any wonder that according to a poll of AARP's own members, 61 percent view the pending Medicare bill unfavorably?

A prescription drug program is long overdue. Unfortunately, the Bush Administration chose to make its enactment conditional on the adoption of Newt Gingrich's dream to begin the end of Medicare -- to bring about the day when Medicare withers on the vine. It is now apparent that Mr. Novelli shares the Gingrich dream. He is telling the world that AARP, including the Massachusetts chapter of AARP, shares that dream as well. But in the end, only you can speak for AARP members in Massachusetts. Brave leaders of state and local AARP chapters are now speaking out, expressing their fierce disagreement with this radical new direction. We ask you to do the same. Stand up for the people of Massachusetts and America. Please pledge your opposition to the Republican-Novelli bill.

We will be voting on this bill in the next 48 hours. We look forward to your immediate reply.

Sincerely,

Edward J. Markey

Richard E. Neal

Martin T. Meehan

James P. McGovern

Michael E. Capuano

Barney Frank

William D. Delahunt

ohn Tierney

Stephe F. Lynch